

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
Richmond Division**

**IN RE: Digital Ink, Inc., and
Christopher David McGinnis
Debtors.**

**Case No. 18-30056-KLP
Chapter 7
(Jointly Administered)**

HARRY SHAIA, JR., TRUSTEE
Plaintiff,

v.

Adv. Proc. No. 18-03098

**BMST, INC., DIGITAL INK INC,
CHRISTOPHER DAVID McGINNIS
MARK BELTRAMI and GABRIELLE
RAGLAND, a/k/a GABRIELLE CARDINALE**
Defendants.

RESPONSE TO COMPLAINT

COMES NOW Defendant Christopher David McGinnis (hereinafter "McGinnis"), by counsel, and states as follows for its Response to the Complaint filed against it:

Jurisdiction and Venue

1. McGinnis admits the allegations contained in Paragraph One of the Complaint.
2. McGinnis admits the allegations contained in Paragraph Two of the Complaint.
3. McGinnis admits the allegations contained in Paragraph Three of the Complaint.
4. McGinnis admits the allegations contained in Paragraph Four of the Complaint.
5. McGinnis admits the allegations contained in Paragraph Five of the Complaint.

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6. McGinnis admits the allegations contained in Paragraph Six of the Complaint.
7. McGinnis admits the allegations contained in Paragraph Seven of the Complaint.
8. McGinnis admits the allegations contained in Paragraph Eight of the Complaint.

Parties

9. McGinnis admits the allegations contained in Paragraph Nine of the Complaint.
10. McGinnis admits the allegations contained in Paragraph Ten of the Plaintiff's Complaint.
11. The allegations contained in Paragraph Eleven of the Complaint are unknown, therefore they are denied.
12. McGinnis denies the allegations contained in Paragraph Twelve of the Plaintiff's Complaint.
13. McGinnis admits the allegations contained in Paragraph Thirteen of the Plaintiff's Complaint.
14. McGinnis admits the allegations contained in Paragraph Fourteen of the Complaint.

Nature of the Case

15. McGinnis denies the allegations contained in Paragraph Fifteen of the Complaint.

Factual Allegations

McGinnis and His Company- Digital Ink, Inc.

16. McGinnis admits the allegations contained in Paragraph Sixteen of the Plaintiff's Complaint.
17. McGinnis admits the allegations contained in Paragraph Seventeen of the Complaint.
18. McGinnis denies the allegations contained in Paragraph Eighteen of the Complaint.
19. McGinnis denies the allegations contained in Paragraph Nineteen of the Complaint.

- 20. McGinnis denies the allegations contained in Paragraph Twenty of the Complaint.
- 21. McGinnis denies the allegations contained in Paragraph Twenty-One of the Complaint.
- 22. McGinnis denies the allegations contained in Paragraph Twenty-Two of the Complaint.
- 23. McGinnis denies the allegations contained in Paragraph Twenty-Three of the Complaint.
- 24. The allegations contained in Paragraph Twenty-Four of the Complaint are unknown, therefore they are denied.

- 25. McGinnis admits the allegations contained in Paragraph Twenty-Five of the Complaint.

The Liabilities McGinnis Sought to Avoid

- 26. McGinnis denies the allegations contained in Paragraph Twenty-Six of the Complaint.
- 27. McGinnis admits the allegations contained in Paragraph Twenty-Seven of the Complaint.
- 28. McGinnis denies the allegations contained in Paragraph Twenty-Eight of the Complaint.
- 29. McGinnis denies the allegations contained in Paragraph Twenty-Nine of the Complaint.
- 30. McGinnis denies the allegations contained in Paragraph Thirty of the Complaint.
- 31. McGinnis denies the allegations contained in Paragraph Thirty-One of the Complaint.
- 32. McGinnis denies the allegations contained in Paragraph Thirty-Two of the Complaint.
- 33. McGinnis denies the allegations contained in Paragraph Thirty-Three of the Complaint.

BMST's Acquisition of DII's Business

- 34. McGinnis denies the allegations contained in Paragraph Thirty-Four of the Complaint.
- 35. McGinnis denies the allegations contained in Paragraph Thirty-Five of the Complaint.
- 36. McGinnis denies the allegations contained in Paragraph Thirty-Six of the Complaint.
- 37. McGinnis denies the allegations contained in Paragraph Thirty-Seven of the Complaint.
- 38. McGinnis denies the allegations contained in Paragraph Thirty-Eight of the Complaint.

- 39. McGinnis denies the allegations contained in Paragraph Thirty-Nine of the Complaint.
- 40. McGinnis denies the allegations contained in Paragraph Forty of the Complaint.
- 41. McGinnis denies the allegations contained in Paragraph Forty-One of the Complaint.
- 42. McGinnis denies the allegations contained in Paragraph Forty-Two of the Complaint.
- 43. McGinnis denies the allegations contained in Paragraph Forty-Three of the Complaint.
- 44. McGinnis denies the allegations contained in Paragraph Forty-Four of the Complaint.
- 45. McGinnis denies the allegations contained in Paragraph Forty-Five of the Complaint.
- 46. McGinnis denies the allegations contained in Paragraph Forty-Six of the Complaint.
- 47. McGinnis denies the allegations contained in Paragraph Forty-Seven of the Complaint.
- 48. McGinnis denies the allegations contained in Paragraph Forty-Eight of the Complaint.
- 49. McGinnis denies the allegations contained in Paragraph Forty-Nine of the Complaint.
- 50. McGinnis admits the allegations contained in Paragraph Fifty of the Complaint.

Ragland Account

- 51. McGinnis denies the allegations contained in Paragraph Fifty-One of the Complaint.
- 52. McGinnis denies the allegations contained in Paragraph Fifty-Two of the Complaint.
- 53. McGinnis denies the allegations contained in Paragraph Fifty-Three of the Complaint.
- 54. McGinnis denies the allegations contained in Paragraph Fifty-Four of the Complaint.
- 55. McGinnis denies the allegations contained in Paragraph Fifty-Five of the Complaint.

Other Transactions

- 56. McGinnis denies the allegations contained in Paragraph Fifty-Six of the Complaint.
- 57. McGinnis denies the allegations contained in Paragraph Fifty-Seven of the Complaint.
- 58. McGinnis denies the allegations contained in Paragraph Fifty-Eight of the Complaint.

Claims for Relief

COUNTS I THROUGH IX

In response to paragraphs 59 through 95, encompassing Counts 1-9, these do not include any claims against McGinnis and such as, do not require a response. However, to the extent that paragraphs 59 through 95 have any factual allegations therein, they are denied.

COUNT X

Declaratory Judgment and Substantive Consolidation of Bankruptcy Cases against McGinnis and DII
28 U.S.C. 2201 and 11 U.S.C. 105(A)

- 96. McGinnis denies the allegations contained in Paragraph Ninety-Six of the Complaint.
- 97. McGinnis denies the allegations contained in Paragraph Ninety-Seven of the Complaint.
- 98. McGinnis denies the allegations contained in Paragraph Ninety-Eight of the Complaint.
- 99. McGinnis denies the allegations contained in Paragraph Ninety-Nine of the Complaint.
- 100. McGinnis denies the allegations contained in Paragraph One Hundred of the Complaint.
- 101. McGinnis denies the allegations contained in Paragraph One Hundred and One of the Complaint.
- 102. McGinnis denies the allegations contained in Paragraph One Hundred and Two of the Complaint.

COUNT XI

In response to paragraphs 103 through 111, encompassing Counts 1-9, these do not include any claims against McGinnis and such as, do not require a response. However, to the extent that paragraphs 103 through 111 have any factual allegations therein, they are denied.

WHEREFORE, Christopher David McGinnis respectfully asks that this Court dismiss this Complaint and ask this Court for any other relief it may deem necessary.

CHRISTOPHER DAVID MCGINNIS

By: /s/ Robert A. Canfield
Counsel

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Response was mailed, first class mail, postage prepaid and/or electronically, on this 1st day of November, 2018 to: Kimberly Ann Taylor & William A. Broschious, Counsel for the Trustee, Kepley Broschious & Biggs, PLC, 2211 Pump Road, Richmond, VA 23233.

/s/ Robert A. Canfield
Robert A. Canfield